

STATE OF MAINE  
PUBLIC UTILITIES COMMISSION

Docket No. 2000-759

October 24, 2000

CENTRAL MAINE POWER COMPANY  
Application for a Finding of "Exempt Wholesale  
Generator Status for Millstone Nuclear Generating  
Unit

ORDER

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WELCH, Chairman; NUGENT and DIAMOND, Commissioners

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By this Order, we make the necessary findings to determine that Central Maine Power Company's (CMP) ownership interest in the Millstone 3 nuclear generating unit is an "eligible facility" under federal law.

Millstone Unit 1, Millstone Unit 2, and 93.47% of Millstone 3, including the 2.50% ownership interest of CMP, are being sold pursuant to an auction conducted by the Connecticut Department of Public Utility Control (DPUC). J.P. Morgan Securities, Inc., the investment banking firm that conducted the auction for the DPUC, announced that Dominion Resources, Inc. (Dominion) was the winning bidder of the auction. Dominion will seek a determination by FERC that as the new owner of the generating assets, it will be an exempt wholesale generator (EWG) under Section 32 of the Public Utility Holding Company Act (PUHCA). Because the cost of CMP's interest in Millstone 3 was reflected in CMP's retail rates as of October 24, 1992 (the date of enactment of Section 32 of PUHCA), FERC can find Millstone 3 to be an EWG only if the purchased facility has been determined to be "an eligible facility" by the regulatory commission having retail rate jurisdiction over the selling utility.

As the regulatory agency with jurisdiction over CMP's retail rates, under federal law, the Maine Commission must certify that allowing the facility to be eligible:

- 1) Will benefit consumers;
- 2) Is in the public interest; and
- 3) Does not violate Maine law.

FERC requires an EWG application to include a certification that the State Commission has made the necessary findings noted in the previous sentence.

By an earlier Order (Order on February 24, 2000 in Dockets 99-928 and 98-058), we approved CMP's plan to divest its Millstone 3 generation asset in conjunction with

the settlement of the on-going litigation between CMP (and other minority owners) and Northeast Utilities, the lead owner of Millstone 3. By the litigation settlement, CMP's share was to be included as part of the auction conducted by the Connecticut DPUC to divest NU's Millstone 3 share, and NU agreed to pay CMP a set amount of money for both the litigation settlement and CMP's ownership interest, regardless of the amount the auction winner pays NU. In the same order, we approved CMP's transfer of ownership of its Millstone 3 interest to the winning bidder of NU's Millstone 3 share. By an Order on the same day in CMP's transmission and distribution (T&D) rate case, Docket No. 97-580, we approved a stipulation that provided for the ratemaking treatment for CMP's divestiture of its Millstone 3 share.

We conclude that the transfer of CMP's share of the Millstone 3 unit to Dominion is in the public interest. Consumers will benefit by the continued implementation of the Legislature's requirements that generation assets divested by owners of the transmission and distribution assets. The Millstone 3 asset is transferred pursuant to state law and thus obviously not in violation of state law. Because the Restructuring Act (35-A M.R.S.A. § 3201-3217) separates generation from transmission and distribution of electricity and removes generators from the definition of electric utility, allowing the Dominion-owned Millstone 3 asset to be an eligible facility:

- 1) Will benefit consumers;
- 2) Is in the public interest; and
- 3) Does not violate Maine law

Dated at Augusta, Maine, this 24<sup>th</sup> day of October, 2000.

BY ORDER OF THE COMMISSION

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Dennis L. Keschl  
Administrative Director

COMMISSIONERS VOTING FOR:      Welch  
   Nugent  
   Diamond

## NOTICE OF RIGHTS TO REVIEW OR APPEAL

5 M.R.S.A. § 9061 requires the Public Utilities Commission to give each party to an adjudicatory proceeding written notice of the party's rights to review or appeal of its decision made at the conclusion of the adjudicatory proceeding. The methods of review or appeal of PUC decisions at the conclusion of an adjudicatory proceeding are as follows:

1. Reconsideration of the Commission's Order may be requested under Section 1004 of the Commission's Rules of Practice and Procedure (65-407 C.M.R.110) within 20 days of the date of the Order by filing a petition with the Commission stating the grounds upon which reconsideration is sought.
2. Appeal of a final decision of the Commission may be taken to the Law Court by filing, within 30 days of the date of the Order, a Notice of Appeal with the Administrative Director of the Commission, pursuant to 35-A M.R.S.A. § 1320(1)-(4) and the Maine Rules of Civil Procedure, Rule 73, et seq.
3. Additional court review of constitutional issues or issues involving the justness or reasonableness of rates may be had by the filing of an appeal with the Law Court, pursuant to 35-A M.R.S.A. § 1320(5).

Note: The attachment of this Notice to a document does not indicate the Commission's view that the particular document may be subject to review or appeal. Similarly, the failure of the Commission to attach a copy of this Notice to a document does not indicate the Commission's view that the document is not subject to review or appeal.